

**QUARTERLY TASK
ORDER PROGRESS AND
COST REPORT**

**RUSSIA SOCIAL SECTOR
REFORM**

**JULY TO SEPTEMBER
2001**

Prepared for



Improving Social Services Delivery Systems Project
U.S. Agency for International Development
Contract No. EEU-I-99-00015-00, Task Order 803

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QUARTERLY TASK ORDER PROGRESS AND COST REPORT

JULY TO SEPTEMBER 2001

RUSSIA SOCIAL SECTOR REFORM

Task Order No.: EEU-I-99-00015-00, TO 803

Date of Issuance: September 30, 1999

Progress Report

As required by Section F.5 of the Local Government Contract, below is a description of progress during the last quarter under UI Project No. 06901-006.

Task Order Description

In September 1999, the United States Agency for International Development (USAID) contracted the Urban Institute (UI) to implement the Improving Social Service Delivery project, a two-year activity to assist Russian municipalities and improve the efficiency and effectiveness of their social support services. Technical assistance will be provided to help selected municipal administrations assess the current conditions of their social service delivery structure, to introduce means-testing as a way to improve the transparency and targeting of social subsidy programs, and to improve the effectiveness of locally provided social services. The program will assist municipalities to modernize and increase transparency in their budget processes by implementing, to the extent allowable under current federal legislation, the most cost effective policies for allocation of locally derived budget resources.

Amount obligated under Task Order:	\$1,550,000
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Total potential Task Order amount:	\$1,550,000
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Dollars expended to-date:	\$1,165,388
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Progress of Major Tasks and Activities

Better Targeted Social Assistance Programs

Better targeting projects in Arzamas and Perm continued operation during this report period. *(See Monitoring and Evaluation, for more information)*



Social Services Delivery

The mayor of the city of Arzamas signed the contracts with three non-government organizations (NGO's) for the purchase of services to veterans of recent conflicts on July 11, 2001, with services beginning on August 1, 2001. (*See Monitoring and Evaluation, for more information*)

Summary Table of City Proposals and Actual Projects Implemented

AREA OF REFORM	CITY PROPOSED	CITY IMPLEMENTED
BETTER TARGETING OF SOCIAL ASSISTANCE		
Arzamas		
	A food assistance program for all low income individuals and families that would replace all current food programs in the city with the exception of the Kindergarten Meal Program	School Lunch Program: <ul style="list-style-type: none"> — All families must pay four rubles per child per day for school lunch — Provides cash assistance to low income families to pay for either 100 percent or 50 percent of the cost of school lunches depending on the family's income level. — Allows schools to purchase food from private vendors as well as municipal enterprises. — Permits parent committees for each school to monitor quality of school lunch menu and food.
Novgorod		
	To redesign the Social Support of Low Income Families Program to: <ul style="list-style-type: none"> — Eliminate categorical eligibility — Base eligibility solely on income — Use the subsistence level as the standard for eligibility and benefit level — Use only one set of eligibility rules and income calculation methodology 	Proposal withdrawn



AREA OF REFORM	CITY PROPOSED	CITY IMPLEMENTED
Perm		
	Create a new program to provide cash assistance to low income families while simultaneously providing services to the family so they can become self-sufficient through new or better paying employment.	Implemented November 2000 as proposed.
Tomsk		
	<ul style="list-style-type: none">— Create a sliding scale for tuition fees for extra-curricular activities and kindergarten based on an income calculation.— Redesign Infant Milk Program to eliminate the required doctor's certification and to replace in-kind benefits with cash or vouchers	Proposal withdrawn
COMPETITIVE PROCUREMENT		
Arzamas		
	Services to veteran of recent conflicts with a desired outcome of gainful employment	Competition held; however no contracts have been signed as of the end of June 2001. City funds allocated for this project had to be used to assist flood victims in the area. No decision has been made as to whether the contracts will be signed and services provided at a later date.
Novgorod		
	Expansion of the municipal program for in-home services to the elderly and disabled for 120 additional individuals to be provided by NGO's.	Budget funds for the contract were reduced from 100,000 rubles to 50,000 rubles. Contract signed with an NGO to provide in-home services to up to 25 cancer patients who are only partially able to take care of themselves.
		The services were implemented in early May 2001.
Perm		
	Services for disabled children	The competition was held and contracts were signed with three NGO's to provide services to 20 disabled children each in three different geographic areas of the city.
		Services under the contracts are currently being provided.



AREA OF REFORM	CITY PROPOSED	CITY IMPLEMENTED
Tomsk	Services for disabled teenagers	<p>The competition was held and contracts were signed with nine NGO's to provide a variety of services to disabled teenagers across the city.</p> <p>Services under the contracts were provided from January 1, 2001 to June 30, 2001, at which time the contracts were ended.</p>
ADMINISTRATIVE REFORM		
Arzamas	<ul style="list-style-type: none"> — Single Application form for all city benefits and services provided by the Committee for Social Protection and for Housing Allowances. — Single Point of Entry to file applications for all city social services and housing allowances with one application, one interview, and providing only one set of verifications or required documents. 	<ul style="list-style-type: none"> — Implemented as a pilot project in two micro-raions. — Implemented as a pilot project in two micro-raions
Novgorod	Single application form for all city benefits and services provided by the Committee for Social Questions and the Housing Allowance Program.	Proposal withdrawn
Perm	No proposal made.	
Tomsk	Implementation of a social passport and single data base for all programs including those administered by other departments, e.g., education.	Proposal withdrawn



Strengthening Administrative Procedures—The Arzamas "One-Window" project was expanded during the report period. Municipal benefits for people with diabetes were made available through the 15 Neighborhood Self-government centers. The city began planning for the addition of Housing Allowance benefits (to implement November 2001) and Child Allowance benefit (to implement January 2002). One-window workers were trained in the Housing Allowance Program regulations. (*See Monitoring and Evaluation, below, for more information*)

Monitoring and Evaluation—Evaluation reports for the city of Arzamas on the School Lunch Program and One-Window pilot project and for the city of Perm on the Motovhilkhinsky "Jobs" pilot program, were completed and sent to the cities. The project team traveled to each of these cities to meet with the vice-mayor in charge of social protection and the heads of the Social Protection Committee to present the findings and the recommendations. Additionally, the project published a report, *Strengthening Local Administration of Social Assistance in Russia*, in August 2001.

Evaluation reports on the competitive procurement projects in Novgorod, Perm, and Tomsk were completed and sent to each city. The project team also traveled to Arzamas to conduct the evaluation of their competitive procurement project, which began in August 2001. The report to the city will be completed early in the next quarter. Additionally, the project published a report, *Russian Nonj profits as Contracted Providers of Municipal Social Services; Initial Experience*, in August 2001.

Dissemination—On July 28, 2001, the project launched its web site at www.urbanecnomics-social.ru. The Website has sections on:

- News
- Legislation
- Tools for Administrators
- Papers and Publications
- Local Government Innovations
- Evaluation
- Contacts

Project team members also made a presentation on the project including pilot program descriptions and the findings of the evaluations at a meeting in Perm in September 2001, for vice-governors in charge of social protection for the oblasts and republics of the Volga Federal District.

The project team also completed the design and testing of the interactive model simulation which cities can use to determine demographic and fiscal impact of changes in current programs or implementation of new programs.



Volga Federal District Initiative—The project team was involved in the planning for the second annual Fair of Social and Cultural Projects for the Volga Federal District to be held in Saratov in October 2001. Activities included preparation for a number of seminars and presentations on social protection issues and descriptions of the projects pilot projects as being the administrators of the grant award process for grant applications in the area of social protection and local self-government.

National Social Policy Development—The project team met with Dr. Evgueni Gontmacher, Head of the Department of Social Development of the Administration of the Russian Government to discuss a number of issues, including the best way to proceed to have the Ministry of Labor and Social Welfare allow waivers from federal social protection legislation and regulations so that oblasts and republics can conduct demonstration projects. Dr. Gontmacher supports the idea and will work with the project team as we move forward with this idea. Additionally, Mr. Gontmacher was able to have a project team member appointed to the working group to assist the Presidential Commission on Changing the Responsibilities Among the Governments of the Russian Federation, Sub-federal Governments and Municipalities.

The project team also met with Mr. Pochinok, Minister of Labor and Social Welfare on a number of issues, Mr. Pochinok reacted positively to ideas about harmonization of policy and administration of the Child Allowance and Housing Allowance programs, dissemination of best models and practices through the ministry, and endorsing a project review of Child Allowance Program offices and case records in up to 15 cities.

Final Report—The final report of the ISSDS project was completed and sent to USAID in September 2001.

Capacity Building of Russian Staff—The project team conducted seminars on stakeholder analysis and an introduction to monitoring and evaluation for Russian project team members and others as the IUE.

Significant Findings and Delays

Better Targeted Social Assistance Programs

None

Social Services Delivery

None

Strengthening Administrative Procedures

None



Monitoring and Evaluation

None

Dissemination

None

Volga Federal District Initiative

None

National Social Policy Development

None

Final Report

None

Capacity Building of Russian Staff

None

Work Planned for Next Reporting Period

None, the project has been completed.

Specific Action Requested

No action is requested in any area.

Up-To-Date Schedule of Work

None, project complete.